

Exhibit 1

Email from Mumford dated Dec. 23, 2019 and
accompanying Preliminary Answer

From: [mrmumford](#)
To: [Karst, Danielle](#); [Mulreany, Timothy J.](#); [Karst, Danielle](#); [Malas, George](#)
Subject: [EXTERNAL] CFTC v Saffron et al.
Date: Monday, December 23, 2019 9:59:51 PM
Attachments: [Saffron filing.pdf](#)
[ATT00001.htm](#)

please see attached. Please do not hesitate to call or write with any questions. For now, for some reason I can't entirely explain, I'm having to send and receive from this, my personal email. I will let you know when I have been able to resolve the tech issue associated with that problem, but thank you in advance.

-Marcus

Marcus R. Mumford

mrm@mumfordpc.com; mrmumford@gmail.com

Admitted: Utah Bar #12737; Idaho Bar #6585; California Bar #243270; New York Bar #4004008; Application for Pro Hac Vice Nevada forthcoming

United States District Court

For the

District of Nevada Division

COMMODITY FUTURES TRADING COMMISSION

v.

DAVID GILBERT SAFFRON, et al

**PRELIMINARY ANSWER AND MOTION FOR ADDITIONAL TIME TO ANSWER ON
BEHALF DEFENDANTS DAVID GILBERT AND CIRCLE SOCIETY**

Case Number: 2:19-cv-1697-JAD-DJA

Comes now attorney Marcus R Mumford in the matter, COMMODITY FUTURES TRADING COMMISSION V. DAVID GILBERT SAFFRON, et al. **Case Number: 2:19-cv-1697-JAD-DJA .**

I have previously been identified by the Commodity Futures Trading Commission ("CFTC") in materials filed by the CFTC earlier in this action. At the time, I was attempting to communicate regarding potential resolution efforts and ideas that Mr .Saffron and Circle Society was willing to take to address the substance of allegations and accusations made by the CFTC against Mr. Saffron and Circle Society in the above titled actions. At that time, I understood that counsel for the CFTC was not willing to communicate with me as counsel for Mr. Saffron. I don't wish to misstate matters, so I'll just summarize that it seemed to me that the CFTC was more interested in making what one might describe as a show of force instead of being willing to engage in constructive communications that might much more readily and easily resolve this matter to the satisfaction of all parties including the Court. Since that time, I understand that the CFTC has referred to me in an occasional court filing and acknowledged the fact of my

initial efforts to communicate with them, but otherwise has been non communicative with me regarding the efforts I had previously initiated now over several weeks ago to address this matter. In all of these things, the government lawyers have been engaged in what I would describe as curious conduct that seemed consistently to avoid the substance of the allegations which I previously attempted to communicated with them.

Since that time, I understand that orders have been entered regarding service by publication including an effort to obtain default judgements against Mr. Saffron and Circle Society.

I am appearing in this matter on behalf of Mr. Saffron and Circle Society. The only clarification that may be need to be added is that I have been in contact with attorney Michael Van. I anticipate that we will proceed assuming my admission pro hac vice is accepted with Mr. Van serving as my sponsoring local counsel and Mr. Van being corporate counsel for Circle Society.

I do intend to seek admission to this court as soon as possible. I have previously been admitted to this Court pro hac vice in a number of matters, dating back to the early 2000's in the matter of United States v. SDI Future Health. Accordingly, and with Mr. Van's anticipated cooperation, I do not see any reason to question our abilities to proceed appropriately in answering the allegations brought against Mr. Saffron and the Circle Society.

I am not here to make excuses, because I do not believe they are necessary at this point, given the relief we are requesting herein. But I would point out that our efforts in addressing all of these matters have been complicated by the holiday schedules of those involved and technical glitches we have experienced. I can further document and address these matters if the court desires.

Getting back to the matter at hand, I can assure the court that Mr. Saffron and Circle Society deny both the important and substantive allegations that have been brought by the CFTC. It does not appear to me that the CFTC or its representatives have even the most basic understanding of how Mr. Saffron and/or the Circle Society was engaged in its business, or what their business dealings were. I understand that the specific Federal Rules no longer encourage general denials, but I would ask, if necessary, leave to make such denials so that we can later clarify substantively. But in leiu of seeking that relief, I would simply ask the court for an additional 2 weeks of time wherein I can address:

1. The filing of my application to be admitted pro hac vice to represent Mr. Saffron with Mr. Van acting as my local sponsor and Mr. Van representing Circle Society as its corporate counsel in this matter.
2. And relatedly, the making of proper appearances on behalf of defendants by those counsels above named.
3. The filing of documents to answer and specifically address every allegation brought by the CFTC against Mr. Saffron and Circle Society thereby avoiding the need to litigate over an unnecessary default.

4. The filing of any and all matters deemed necessary by the Court's current of future orders to give the Court our assurances regarding the Parties compliance with the Court's previously entered order including the TRO and Preliminary Injunctions.
5. Finally, and perhaps most significantly, are the filing of evidentiary matters or even the holding of any necessary evidentiary hearings to address the substantive mistakenness of the CFTC's understanding and allegations because this matter cries out for clarification due to the matters identified above having not allowed us to suitably or adequately address issues.

Signed on the 23 of December

/s/ Marcus Mumford

CERTIFICATE OF SERVICE

Because of the scheduling, technical and other matters addressed above, the undersigned is filing this matter with the Court as follows:

1. Mailing a hard copy to be filed with the Court clerk at United States District Court Nevada Division, 333 Las Vegas Boulevard South, Las Vegas, Nevada, 89101.
2. I am further emailing this filing to all parties whose names or email addresses I understand may have previously included in this matter:

George Malas, Futures Trading Investigator, GMalas@CFTC.gov

Danielle Karst, Attorney, DKarst@cftc.gov

Timothy J. Mulreany, Attorney, TMulreany@cftc.gov

Signed on the 23 of December

/s/ Marcus Mumford

And wishing the court and all parties happy holidays.